

## Message Text

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72

ACTION ARA-10

INFO OCT-01 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01 CIAE-00

CIEP-01 COME-00 DODE-00 EB-07 FPC-01 H-02 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03

SP-02 SS-15 STR-04 TRSE-00 FRB-03 PA-01 PRS-01 USIA-06

/093 W

----- 006014

R 021900Z MAY 75

FM AMEMBASSY GUATEMALA

TO SECSTATE WASHDC 6630

LIMITED OFFICIAL USE GUATEMALA 2263

E.O. 11652: N/A

TAGS: EFIN, GT

SUBJECT: VENEZUELAN OIL SCHEME

REF: STATE 094362

1. EXACT VALUE OF REBATE IMPOSSIBLE TO DETERMINE AT THIS TIME SINCE PRICE REFERENCE FOR CALCULATIONS IS FOB VENEZUELA AND MAY BE ADJUSTED EACH QUARTER. ACCORDING TO BANK OF GUATEMALA OFFICIAL DEPOSIT MADE FOR FIRST QUARTER REBATE SLIGHTLY OVER \$8 MILLION BASED ON FOB PRICE OF APPROXIMATELY \$11 PER BARREL. TOTAL REBATE TO GUATEMALA BASED ON AVERAGE DAILY CONSUMPTION OF 14,800 BARRELS. IF CONSUMPTION FALLS BELOW THAT LEVEL REBATE IS MADE ON BASIS OF ACTUAL CONSUMPTION. IF CONSUMPTION EXCEEDS 14,800 BPD NO REBATE IS MADE ON EXCESS. ANY ADJUSTMENTS NECESSARY ARE TO BE MADE IN FINAL QUARTER CALCULATIONS. ASSUMING NO SIGNIFICANT CHANGE IF FOB VENEZUELA PRICE THROUGHOUT 1975 MAXIMUM REBATE VALUE WILL THEREFORE EQUAL \$25 MILLION. IF FOB PRICE INCREASES DURING THE YEAR THE TOTAL REBATE CAN, OF COURSE, EXCEED THAT FIGURE. SINCE PETROLEUM CONSUMPTION IS GREATER THAN

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14,800 BPD THE MAXIMUM REBATE IS LIKELY TO BE REALIZED.

2. HIGHLY UNLIKELY THAT ANY OF THE REBATE WILL BE  
UTILIZED UNDER SIX YEAR PROVISIONS. GUATEMALA IS NOT  
EXPERIENCING BALANCE OF PAYMENTS PRESSURES (SEE GUATEMALA  
A-007) AND IS THEREFORE PLANNING TO USE FUNDS AS  
LONG TERM LOANS.

3. IN LIGHT OF ABOVE NO NEED CURRENTLY EXISTS FOR RE-  
COURSE TO IMF PETROLEUM FACILITY.

DECONTROL AFTER 5/2/77.

MELOY

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, COFFEE, FOREIGN ASSISTANCE, LOAN AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 MAY 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975GUATEM02263  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750155-0488  
**From:** GUATEMALA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750587/aaaadbvp.tel  
**Line Count:** 73  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 094362  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <09 SEP 2003 by BoyleJA>; APPROVED <10 SEP 2003 by GolinoFR>  
**Review Markings:**

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EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** VENEZUELAN OIL SCHEME  
**TAGS:** EFIN, EAID, GT, VE  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006